

Message Text

LIMITED OFFICIAL USE

PAGE 01 JAKART 11853 310821Z
ACTION EB-08

INFO OCT-01 EA-10 ISO-00 L-03 COME-00 TRSE-00 IO-13
/035 W

-----039966 010254Z /70

R 310740Z AUG 78
FM AMEMBASSY JAKARTA
TO SECSTATE WASHDC 1164

LIMITED OFFICIAL USE JAKARTA 11853

E.O. 11652: N/A
TAGS: EINV, ID
SUBJECT: SEA OIL/P.T. BAUD EXPROPRIATION CLAIM

REF: STATE 218125

1. WE ARE PREPARED TO FORWARD LETTER CONTAINED REFTEL FROM
E/C COUNSELOR TO MINISTER OF FINANCE BUT SUGGEST FOLLOWING
CHANGE IN FIRST PARA: "AS YOU ARE AWARE, ON SEVERAL OCCASIONS
MEMBERS OF THE US EMBASSY HAVE RAISED WITH HIGH INDONESIAN
GOVERNMENT OFFICIALS THE MATTER OF SEA OIL AND GENERAL'S
CLAIM FOR COMPENSATION FOR ITS NATIONALIZED PROPERTIES.
THIS LONG OUTSTANDING PROBLEM IS THE ONLY EXISTING CLAIM IN-
VOLVING US INVESTORS THAT THE INDONESIAN GOVERNMENT HAS NOT
YET SUCCESSFULLY RESOLVED. IT DESERVES TO BE RESOLVED TO
THE MUTUAL SATISFACTION OF BOTH PARTIES."

2. AS DEPARTMENT IS AWARE, SEA OIL/P.T. BAUD CASE GOES BACK
TO THE 1950'S AND THE DAYS OF SUKARNO. IN OUR VIEW, RESOLU-
TION OF THIS CASE FOR OR AGAINST CLAIMANT WOULD HAVE VERY
LITTLE BEARING ON CURRENT INVESTMENT CLIMATE. GOI
PROBABLY RECOGNIZES THIS. IF SO, RAISING INVESTMENT
CLIMATE ARGUMENT ONLY WEAKENS OUR PRESENT CASE AND MAY
TEND TO COMPROMISE OUR POSITION IN FUTURE PROBLEMS WHERE
GOI ACTIONS REALLY MIGHT ADVERSELY AFFECT INVESTMENT
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CLIMATE.

3. PLEASE ADVISE WHETHER REVISED TEXT IS ACCEPTABLE.
GARDNER

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COMPENSATION, OFFSHORE DRILLING, PETROLEUM PRODUCTS, NEGOTIATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 31 aug 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978JAKART11853
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780356-1104
Format: TEL
From: JAKARTA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t1978084/aaaaadgc.tel
Line Count: 59
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: b505dd5f-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 78 STATE 218125
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1669230
Secure: OPEN
Status: NATIVE
Subject: SEA OIL/P.T. BAUD EXPROPRIATION CLAIM
TAGS: EINV, ID
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/b505dd5f-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
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